



State Community Services Office

CSBG Training

CSBG Budget Categories and Prior Approval Requirements

(Revised March 2017)



Form 610 – CSBG Budget

- Standard CSBG Budget Categories
 - Salaries & Wages
 - Fringe Benefits
 - Consultants and Contracts
 - Travel
 - Space Costs and Rental
 - Consumable Supplies
 - Rent, Lease, Purchase of Equipment
 - Communications
 - Unclassified Other



Salaries and Wages

This Category is self-explanatory:

- Gross payroll for all full-time and part-time employees **charged directly** to CSBG program.
- Amount should include both Program staff and Program Administrative salaries and wages if billed as direct costs and supported by time & activity reports when required.
- Note: Compensation for personnel included in indirect cost and/or Admin cost pool should **not** be reported under Salaries & Wages category. Personnel costs allocated to CSBG program should be reported under the category Unclassified Other.



Fringe Benefits

Category may be more appropriately titled
Employer's Payroll Taxes & Fringe Benefits

- Employer's Payroll Taxes:

Social Security, Medicare, State Unemployment,
Federal Unemployment, & Worker's Compensation

- Fringe Benefits:

Health, Dental, Life, Vision & Disability Insurance
Pension, Retirement & 401(k), and certain leave*

*** Consult applicable OMB Circulars**



Consultants and Subcontracts

Most common type of expenditures reported under this category:

- Payments to third parties under sub-award and/or sub-contract agreements to provide services or activities specified in the CSBG contract.

Note: All sub-contract agreements must be approved in advance by SCSO (see CSBG application instructions)

Other types of expenditures under this category:

- Fees for annual single audit (if required and direct-costed)
- Other professional fees such as T&TA (must be allowable under CSBG rules, regulations & guidelines)



Travel

Out of State Travel

- Airfare
- Lodging
- Meals (per diem)
- Conference/Registration Fees

In-State Travel

- Personal Vehicle Mileage Reimbursements
- Motor Pool (if direct-costed)
- Vehicle Fuel
- Lodging
- Meals (per diem)
- Conference/Registration Fees



Space Costs and Rental

Most Common Expenditures include:

- Office/Facility Rent
- Utilities (power, gas, water)
- Minor Building Repairs & Maintenance
- Janitorial Services
- Grounds Maintenance
- Trash Removal
- Insurance (buildings)



Consumable Supplies

Most Common Expenditures include:

- Office Supplies
- Copier & Printing Supplies
- Classroom Supplies
- Computer Software & Supplies
- Subscriptions and Publications



Rent/Lease/Purchase of Equipment

Most Common Expenditures include:

- Equipment Rental (copier lease)
- Computer Hardware
- Equipment Purchases

Other Expenditures that fit here:

- Equipment Repair & Maintenance
- Vehicle Repair & Maintenance



Communications

Most Common Expenditures include:

- Telephone
- Cell Phones
- Internet Service
- Postage & Delivery
- Advertising (only allowable costs)



Unclassified Other

Most Common Expenditures include:

- Indirect and Admin Cost Pool costs allocated to CSBG
- Insurance, such as D & O Liability (see OMB Cost Principles)
- Dues & Membership Fees
- Board Meeting Expenses
- Direct Services to Clients/Beneficiaries



Program vs. Administrative Costs

- The organization's financial system must provide a means for segregating Program and Administrative costs.
- This information is required to properly complete the Annual CSBG IS Report.



Administrative Costs

- Administrative costs for CSBG reporting are defined by OCS as “equivalent to typical indirect costs or overhead.”
- Administrative costs refer to central executive functions that do not directly support a specific project or service.
- Administrative costs relate to the general management of the grantee organization, such as strategic direction, board development, Executive Direction functions, accounting, budgeting, personnel, procurement, and legal services.

Administrative Costs

- Additional information and guidance regarding administrative costs is available in Information Memorandum 37.
- The URL for IM 37 is:
<https://www.acf.hhs.gov/ocs/resource/im-no-37-definition-and-allowability-of-direct-and-administrative-cost>

Also consult 45 CFR Part 75 (HHS implementing regulations for 2 CFR Part 200 and 42 U.S.C. 9916(a)(1)(b))

Terms and conditions to support the CSBG program can be found online at: <http://www.acf.hhs.gov/grants/post-award-requirements>



Budget Variances

Internal Controls should be in place to monitor expenditures charged against the CSBG contract.

- Actual expenditures should be compared to budgeted expenditures at least monthly.
- The Fiscal Officer and CSBG Program Director should discuss actual vs. budget variances throughout the contract period.
- Financial reports should be provided to members of the Tripartite Board and discussed/reviewed at each Board meeting.



Prior Approval Requirements

- Certain types of post-award changes in the budget and scope of work require prior written approval of the State Community Services Office (SCSO).
- Prior approvals are necessary because of the potential financial and/or programmatic impact on the overall State CSBG award if sub-recipient were allowed to undertake such changes in budget or scope of work without authorization from SCSO.



Federal Administrative Regulations

Prior written approval is required when cumulative transfers among direct cost categories are expected to exceed 10% of total approved budget.

With acceptance of the CSBG award, the sub-recipient agrees to administer the program in compliance with conditions set forth in the applicable Program Instructions, terms and conditions, Federal and State regulations, and OMB Circulars.



Federal Administrative Regulations

Prior approval may also be required for programmatic changes:

- Revision of the scope or objectives of the project (regardless of whether there is an associated budget revision requiring prior approval)
- Need to extend the period of availability of funds
- Changes in key persons where specified in an application or a grant award
- Contracting out, sub-granting, or otherwise obtaining services of a third party to perform activities which are essential to the purpose of the award

State Rule R990-100

State Rule R990-100-24 – Amendments/Waivers

<https://rules.utah.gov/publications/utah-adm-code/>

- A. Prior approval for budget changes is required in the following instances:
- (1) The dollar amount of transfers among budget categories exceeds or is expected to exceed \$10,000 or five percent of the grant budget, whichever is greater, for grants of \$100,000 or larger;
 - (2) For grants under \$100,000, approval is required if transfers exceed or are expected to exceed five percent of the grant budget;

State Rule R990-100-24 (continued)

- (3) Limited flexibility in budget adjustments will be allowed as follows (submit informational copies of adjusted CSBG forms to SCSO):
 - (a) Rebudgeted funds within the Personnel Services portion of their CSBG budget;
 - (b) Rebudgeted funds within the Supportive Services portion of their CSBG budget;
 - (c) On a one-time basis, allowable transfers from the Personnel Services budget to Supportive Services;
 - (d) On a one-time basis, allowable transfers from the Supportive Services budget to Personnel Services;

State Rule R990-100-24 (continued)

- B. Program goals may be amended by submitting changes for approval on appropriate CSBG forms. If at any point during the program year it appears that a goal may be achieved at less than 90%, a program and budget amendment must be submitted for approval.
- C. Grantees may also request contract period end dates be extended for up to sixty (60) days in order to spend program or project carryover funds amounting to less than ten (10) percent, or an amount approved by the State, of the total contract amount.



Budget Variances

Additional Guidance:

No pre-approval required for cumulative variances between budget lines if less than 5% of original contract amount.

Written request for pre-approved cumulative budget variances above 5%, but less than 10%, of contract total must be submitted in writing to SCSO CSBG Program Director (email acceptable).



Budget Variances (continued)

Contract budget in the Web Grants system will not be changed without formal contract amendment.

Cumulative variances cannot exceed 10% of original contract amount without formal contract amendment.

Plan ahead! Requests requiring contract amendment will not be considered during the final quarter of the contract term.



Questions

- If in doubt, please call – we are here to help.

Sue Kolthoff (801) 468-0069

Karen Quackenbush (801) 468-0142